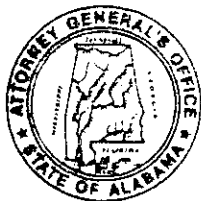


OFFICE OF THE ATTORNEY GENERAL

83-00163



CHARLES A. GRADDICK
ATTORNEY GENERAL
STATE OF ALABAMA

FEB 1 1983

JAMES R. SOLOMON, JR.
DEPUTY ATTORNEY GENERAL

WILLIAM M. BEKURS, JR.
EXECUTIVE ASSISTANT

WALTER S. TURNER
CHIEF ASSISTANT ATTORNEY GENERAL

JANIE NOBLES
ADMINISTRATIVE ASSISTANT

ADMINISTRATIVE BUILDING
64 NORTH UNION STREET
MONTGOMERY, ALABAMA 36130
AREA (205) 834-5150

Hon. Robert H. Brogden
Brogden & Quattlebaum
298 East Avenue
Ozark, Alabama 36360

County Hospital Association -
Hospitals - Medical Clinics

Dale County Hospital
Association may construct
medical office space and rent
same.

Dear Mr. Brogden:

We are in receipt of your request for an opinion from our office on behalf of the Dale County Hospital Association. Your specific inquiry was regarding whether or not the Association can construct medical office space on hospital property and rent the same.

It is our understanding that the Dale County Hospital Association is organized pursuant to § 22-21-50 et seq., Code of Alabama, 1975. Under this statute, the Association is given the authority in §§22-21-53(17)(b) to "lease hospitals, clinics, or hospital facilities to such persons, firms, partnerships, associations or corporations and on such terms as they deem to be necessary, and appropriate and consistent with the maintenance of public health services and facilities."

It is certainly "appropriate and consistent with the maintenance of public health services and facilities" to attract qualified physicians to the area. If the Association deems it in the interest of this cause and the public health to attract physicians by

Hon. Robert H. Brogden
Page Two

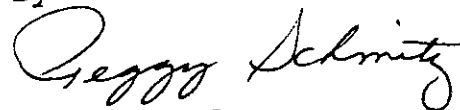
this method, it is our opinion that it is within their authority to do so. It might be in the Association's interest to make some showing of necessity and/or a feasibility study to determine that such incentives are necessary.

We trust this information will assist you. If we may be of further help on this matter, please contact us.

Sincerely,

CHARLES A. GRADDICK
Attorney General

By-

A handwritten signature in cursive script, appearing to read "Peggy Schmitz".

PEGGY SCHMITZ
Assistant Attorney General

PS:bd